



PRELIMINARY DRAFT

No. 3256

PREPARED BY
LEGISLATIVE SERVICES AGENCY
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DIGEST

Citations Affected: IC 2-5-26-2; IC 4-22-2-37.1; IC 12-7; IC 12-8; IC 12-9; IC 12-9.1; IC 12-10-12-4; IC 12-12-1-4.1; IC 12-12.7-2-8; IC 12-13; IC 12-14-2-21; IC 12-15-2-0.5; IC 12-21; IC 16-28-15-5; IC 22-4.1-17-6.

Synopsis: Reestablishment of FSSA. Reestablishes the office of the secretary of family and social services and other divisions and offices within FSSA.

Effective: Upon passage.



A BILL FOR AN ACT to amend the Indiana Code concerning human services.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. IC 2-5-26-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. As used in this chapter, "office" refers to the office of Medicaid policy and planning established by ~~IC 12-8-6-1~~. **IC 12-8-6.5-1.**

SECTION 2. IC 4-22-2-37.1, AS AMENDED BY P.L.229-2011, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 37.1. (a) This section applies to a rulemaking action resulting in any of the following rules:

(1) An order adopted by the commissioner of the Indiana department of transportation under IC 9-20-1-3(d) or IC 9-21-4-7(a) and designated by the commissioner as an emergency rule.

(2) An action taken by the director of the department of natural resources under IC 14-22-2-6(d) or IC 14-22-6-13.

(3) An emergency temporary standard adopted by the occupational safety standards commission under IC 22-8-1.1-16.1.

(4) An emergency rule adopted by the solid waste management board under IC 13-22-2-3 and classifying a waste as hazardous.

(5) A rule, other than a rule described in subdivision (6), adopted by the department of financial institutions under IC 24-4.5-6-107 and declared necessary to meet an emergency.

(6) A rule required under IC 24-4.5-1-106 that is adopted by the department of financial institutions and declared necessary to meet an emergency under IC 24-4.5-6-107.

(7) A rule adopted by the Indiana utility regulatory commission to address an emergency under IC 8-1-2-113.

(8) An emergency rule adopted by the state lottery commission under IC 4-30-3-9.

(9) A rule adopted under IC 16-19-3-5 or IC 16-41-2-1 that the executive board of the state department of health declares is



- 1 necessary to meet an emergency.
 2 (10) An emergency rule adopted by the Indiana finance authority
 3 under IC 8-21-12.
 4 (11) An emergency rule adopted by the insurance commissioner
 5 under IC 27-1-23-7 or IC 27-1-12.1.
 6 (12) An emergency rule adopted by the Indiana horse racing
 7 commission under IC 4-31-3-9.
 8 (13) An emergency rule adopted by the air pollution control
 9 board, the solid waste management board, or the water pollution
 10 control board under IC 13-15-4-10(4) or to comply with a
 11 deadline required by or other date provided by federal law,
 12 provided:
 13 (A) the variance procedures are included in the rules; and
 14 (B) permits or licenses granted during the period the
 15 emergency rule is in effect are reviewed after the emergency
 16 rule expires.
 17 (14) An emergency rule adopted by the Indiana election
 18 commission under IC 3-6-4.1-14.
 19 (15) An emergency rule adopted by the department of natural
 20 resources under IC 14-10-2-5.
 21 (16) An emergency rule adopted by the Indiana gaming
 22 commission under IC 4-32.2-3-3(b), IC 4-33-4-2, IC 4-33-4-3,
 23 IC 4-33-4-14, IC 4-33-22-12, or IC 4-35-4-2.
 24 (17) An emergency rule adopted by the alcohol and tobacco
 25 commission under IC 7.1-3-17.5, IC 7.1-3-17.7, or
 26 IC 7.1-3-20-24.4.
 27 (18) An emergency rule adopted by the department of financial
 28 institutions under IC 28-15-11.
 29 (19) An emergency rule adopted by the office of the secretary of
 30 family and social services under ~~IC 12-8-1-12~~ **IC 12-8-1.5-11**.
 31 (20) An emergency rule adopted by the office of the children's
 32 health insurance program under IC 12-17.6-2-11.
 33 (21) An emergency rule adopted by the office of Medicaid policy
 34 and planning under IC 12-15-41-15.
 35 (22) An emergency rule adopted by the Indiana state board of
 36 animal health under IC 15-17-10-9.
 37 (23) An emergency rule adopted by the board of directors of the
 38 Indiana education savings authority under IC 21-9-4-7.
 39 (24) An emergency rule adopted by the Indiana board of tax
 40 review under IC 6-1.1-4-34 (repealed).
 41 (25) An emergency rule adopted by the department of local
 42 government finance under IC 6-1.1-4-33 (repealed).
 43 (26) An emergency rule adopted by the boiler and pressure vessel
 44 rules board under IC 22-13-2-8(c).
 45 (27) An emergency rule adopted by the Indiana board of tax
 46 review under IC 6-1.1-4-37(l) (repealed) or an emergency rule



1 adopted by the department of local government finance under
 2 IC 6-1.1-4-36(j) (repealed) or IC 6-1.1-22.5-20.

3 (28) An emergency rule adopted by the board of the Indiana
 4 economic development corporation under IC 5-28-5-8.

5 (29) A rule adopted by the department of financial institutions
 6 under IC 34-55-10-2.5.

7 (30) A rule adopted by the Indiana finance authority:

8 (A) under IC 8-15.5-7 approving user fees (as defined in
 9 IC 8-15.5-2-10) provided for in a public-private agreement
 10 under IC 8-15.5;

11 (B) under IC 8-15-2-17.2(a)(10):

12 (i) establishing enforcement procedures; and

13 (ii) making assessments for failure to pay required tolls;

14 (C) under IC 8-15-2-14(a)(3) authorizing the use of and
 15 establishing procedures for the implementation of the
 16 collection of user fees by electronic or other nonmanual
 17 means; or

18 (D) to make other changes to existing rules related to a toll
 19 road project to accommodate the provisions of a public-private
 20 agreement under IC 8-15.5.

21 (31) An emergency rule adopted by the board of the Indiana
 22 health informatics corporation under IC 5-31-5-8.

23 (32) An emergency rule adopted by the department of child
 24 services under IC 31-25-2-21, IC 31-27-2-4, IC 31-27-4-2, or
 25 IC 31-27-4-3.

26 (33) An emergency rule adopted by the Indiana real estate
 27 commission under IC 25-34.1-2-5(15).

28 (34) A rule adopted by the department of financial institutions
 29 under IC 24-4.4-1-101 and determined necessary to meet an
 30 emergency.

31 (35) An emergency rule adopted by the state board of pharmacy
 32 regarding returning unused medication under IC 25-26-23.

33 (36) An emergency rule adopted by the department of local
 34 government finance under IC 6-1.1-12.6 or IC 6-1.1-12.8.

35 (37) An emergency rule adopted by the office of the secretary of
 36 family and social services or the office of Medicaid policy and
 37 planning concerning the following:

38 (A) Federal Medicaid waiver program provisions.

39 (B) Federal programs administered by the office of the
 40 secretary.

41 (b) The following do not apply to rules described in subsection (a):

42 (1) Sections 24 through 36 of this chapter.

43 (2) IC 13-14-9.

44 (c) After a rule described in subsection (a) has been adopted by the
 45 agency, the agency shall submit the rule to the publisher for the
 46 assignment of a document control number. The agency shall submit the



rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the format of the rule and other documents to be submitted under this subsection.

(d) After the document control number has been assigned, the agency shall submit the rule to the publisher for filing. The agency shall submit the rule in the form required by section 20 of this chapter and with the documents required by section 21 of this chapter. The publisher shall determine the format of the rule and other documents to be submitted under this subsection.

(e) Subject to section 39 of this chapter, the publisher shall:

(1) accept the rule for filing; and

(2) electronically record the date and time that the rule is accepted.

(f) A rule described in subsection (a) takes effect on the latest of the following dates:

(1) The effective date of the statute delegating authority to the agency to adopt the rule.

(2) The date and time that the rule is accepted for filing under subsection (e).

(3) The effective date stated by the adopting agency in the rule.

(4) The date of compliance with every requirement established by law as a prerequisite to the adoption or effectiveness of the rule.

(g) Subject to subsection (h), IC 14-10-2-5, IC 14-22-2-6, IC 22-8-1.1-16.1, and IC 22-13-2-8(c), and except as provided in subsections (j), (k), and (l), a rule adopted under this section expires not later than ninety (90) days after the rule is accepted for filing under subsection (e). Except for a rule adopted under subsection (a)(13), (a)(24), (a)(25), or (a)(27), the rule may be extended by adopting another rule under this section, but only for one (1) extension period. The extension period for a rule adopted under subsection (a)(28) may not exceed the period for which the original rule was in effect. A rule adopted under subsection (a)(13) may be extended for two (2) extension periods. Subject to subsection (j), a rule adopted under subsection (a)(24), (a)(25), or (a)(27) may be extended for an unlimited number of extension periods. Except for a rule adopted under subsection (a)(13), for a rule adopted under this section to be effective after one (1) extension period, the rule must be adopted under:

(1) sections 24 through 36 of this chapter; or

(2) IC 13-14-9;

as applicable.

(h) A rule described in subsection (a)(8), (a)(12), (a)(19), (a)(20), (a)(21), (a)(29), or (a)(37) expires on the earlier of the following dates:

(1) The expiration date stated by the adopting agency in the rule.

(2) The date that the rule is amended or repealed by a later rule adopted under sections 24 through 36 of this chapter or this



section.

(i) This section may not be used to readopt a rule under IC 4-22-2.5.

(j) A rule described in subsection (a)(24) or (a)(25) expires not later than January 1, 2006.

(k) A rule described in subsection (a)(28) expires on the expiration date stated by the board of the Indiana economic development corporation in the rule.

(l) A rule described in subsection (a)(30) expires on the expiration date stated by the Indiana finance authority in the rule.

(m) A rule described in subsection (a)(5) or (a)(6) expires on the date the department is next required to issue a rule under the statute authorizing or requiring the rule.

SECTION 3. IC 12-7-1-5, AS ADDED BY P.L.220-2011, SECTION 252, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. Actions taken under ~~IC 12-8-1, IC 12-8-2, IC 12-8-6, and IC 12-8-8~~ **IC 12-8-1.5, IC 12-8-2.5, IC 12-8-6.5, and IC 12-8-8.5** after June 30, 1999, and before December 1, 1999, are legalized and validated to the extent that those actions would have been legal and valid if P.L.7-2000 had been enacted before July 1, 1999.

SECTION 4. IC 12-7-2-23 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 23. "Body", for purposes of ~~IC 12-8-2, IC 12-8-2.5,~~ has the meaning set forth in ~~IC 12-8-2-1. IC 12-8-2.5-1.~~

SECTION 5. IC 12-7-2-99, AS AMENDED BY P.L.141-2006, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 99. "A person with a disability" means, for purposes of the following statutes, an individual who has a physical or mental disability and meets the program eligibility requirements of the division of disability and rehabilitative services:

(1) ~~IC 12-8-1-11. IC 12-8-1.5-10.~~

(2) IC 12-12-1.

(3) IC 12-12-6.

SECTION 6. IC 12-7-2-129 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 129. "Member", for purposes of ~~IC 12-8-2, IC 12-8-2.5,~~ has the meaning set forth in ~~IC 12-8-2-2. IC 12-8-2.5-2.~~

SECTION 7. IC 12-7-2-134, AS AMENDED BY P.L.117-2008, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 134. "Office" means the following:

(1) Except as provided in subdivisions (2) through (4), the office of Medicaid policy and planning established by ~~IC 12-8-6-1. IC 12-8-6.5-1.~~

(2) For purposes of IC 12-10-13, the meaning set forth in IC 12-10-13-4.

(3) For purposes of IC 12-15-13, the meaning set forth in



1 IC 12-15-13-0.4.

2 (4) For purposes of IC 12-17.6, the meaning set forth in
3 IC 12-17.6-1-4.

4 SECTION 8. IC 12-7-2-135 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 135. "Office of the
6 secretary" refers to the office of the secretary of family and social
7 services established by ~~IC 12-8-1-1~~. **IC 12-8-1.5-1.**

8 SECTION 9. IC 12-7-2-160 IS AMENDED TO READ AS
9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 160. (a)
10 "Rehabilitation", for purposes of the statutes listed in subsection (b),
11 means a process of providing services to meet the current and future
12 needs of persons with disabilities so that the individuals may prepare
13 for and engage in gainful employment to the extent of their capabilities,
14 as provided in 29 U.S.C. 720.

15 (b) This section applies to the following statutes:

16 (1) ~~IC 12-8-1-1~~; **IC 12-8-1.5-10.**

17 (2) IC 12-12-1.

18 (3) IC 12-12-3.

19 (4) IC 12-12-6.

20 SECTION 10. IC 12-7-2-172 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 172. (a) Except as
22 provided in subsection (b), "secretary" refers to the secretary of family
23 and social services appointed under ~~IC 12-8-1-2~~. **IC 12-8-1.5-2.**

24 (b) "Secretary", for purposes of IC 12-13-14, has the meaning set
25 forth in IC 12-13-14-1.

26 SECTION 11. IC 12-7-2-186 IS AMENDED TO READ AS
27 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 186. "State plan",
28 for purposes of ~~IC 12-8-6~~, **IC 12-8-6.5**, refers to the state Medicaid
29 plan for the Medicaid program.

30 SECTION 12. IC 12-8-1.5 IS ADDED TO THE INDIANA CODE
31 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
32 UPON PASSAGE]:

33 **Chapter 1.5. Office of Secretary of Family and Social Services**

34 **Sec. 0.3. (a) Actions taken under IC 12-8-1 (expired), after**
35 **December 31, 2007, and before March 24, 2008, are legalized and**
36 **validated to the extent that those actions would have been legal and**
37 **valid if P.L.113-2008 had been enacted before January 1, 2008.**

38 **(b) Actions taken under IC 12-8-1 (expired) after June 30, 2011,**
39 **are legalized and validated to the extent that those actions would**
40 **have been legal and valid if IC 12-8-1 had not expired on June 30,**
41 **2011.**

42 **Sec. 1. (a) The office of the secretary of family and social**
43 **services is established.**

44 **(b) The office of the secretary includes the following:**

45 **(1) The secretary.**

46 **(2) Each office.**



1 **Sec. 2. The governor shall appoint the secretary of family and**
 2 **social services to coordinate family and social service programs**
 3 **among the divisions.**

4 **Sec. 3. (a) The secretary has administrative responsibility for**
 5 **the office of the secretary.**

6 **(b) Subject to this article, the secretary may organize an office**
 7 **to perform the duties of the office.**

8 **Sec. 4. (a) The secretary, with the approval of the budget**
 9 **agency, may hire personnel necessary to perform the duties of each**
 10 **office.**

11 **(b) All employees of the office of the secretary other than**
 12 **employees holding confidential or policy making positions are**
 13 **covered by IC 4-15-2.**

14 **Sec. 5. (a) The secretary, through the offices, is responsible for**
 15 **coordinating the provision of technical assistance to each division**
 16 **for the following:**

17 **(1) Compiling program budgets for each division.**

18 **(2) Fiscal performance of each division.**

19 **(3) Management and administrative performance of each**
 20 **division.**

21 **(4) Program performance of each division.**

22 **(b) The secretary, through the offices, is accountable for the**
 23 **following:**

24 **(1) Resolution of administrative, jurisdictional, or policy**
 25 **conflicts among the divisions.**

26 **(2) The coordination of the activities of each division with**
 27 **other entities, including the general assembly and other state**
 28 **agencies.**

29 **(3) Coordination of communication with the federal**
 30 **government and the governments of other states.**

31 **(4) Development and ongoing monitoring of a centralized**
 32 **management information system and a centralized training**
 33 **system for orientation and cross-training.**

34 **(5) The overall policy development and management of the**
 35 **state Medicaid plan under IC 12-15.**

36 **(6) Liaison activities with other governmental entities and**
 37 **private sector agencies.**

38 **Sec. 6. (a) The secretary and the commissioner of the state**
 39 **department of health shall cooperate to coordinate family and**
 40 **social services programs with related programs administered by**
 41 **the state department of health.**

42 **(b) The secretary, in cooperation with the commissioner of the**
 43 **state department of health, is accountable for the following:**

44 **(1) Resolving administrative, jurisdictional, or policy conflicts**
 45 **between a division and the state department of health.**

46 **(2) Formulating overall policy for family, health, and social**



services in Indiana.

(3) Coordinating activities between the programs of the division of family resources and the maternal and child health programs of the state department of health.

(4) Coordinating activities concerning long term care between the division of disability and rehabilitative services and the state department of health.

(5) Developing and implementing a statewide family, health, and social services plan that includes a set of goals and priorities.

Sec. 7. The secretary, through the offices, may do the following:

(1) Employ experts and consultants to carry out the duties of the secretary and the offices.

(2) Utilize, with the consent of the other state agencies, the services and facilities of other state agencies without reimbursement.

(3) Accept in the name of the state, for use in carrying out the purposes of this article, any money or other property received as a gift, by bequest, or otherwise.

(4) Accept voluntary and uncompensated services.

(5) Expend money made available according to policies enforced by the budget agency.

(6) Establish and implement the policies and procedures necessary to implement this article.

(7) Advise the governor concerning rules adopted by a division.

(8) Create advisory bodies to advise the secretary about any matter relating to the implementation of this article.

(9) Perform other acts necessary to implement this article.

Sec. 8. (a) The secretary shall cooperate with the federal Social Security Administration and with any other agency of the federal government in any reasonable manner that may be necessary to qualify for federal aid for assistance to persons who are entitled to assistance under the provisions of the federal Social Security Act.

(b) The secretary shall do the following:

(1) Make reports in the form and containing the information required by the federal Social Security Administration Board or any other agency of the federal government.

(2) Comply with the requirements that the federal Social Security Administration Board or other agency of the federal government finds necessary to assure the correctness and verification of reports.

(c) The secretary shall act as the agent to the federal government in the following:

(1) Welfare matters of mutual concern.

(2) The administration of federal money granted to Indiana to



aid the welfare functions of the state.

Sec. 9. (a) Consistent with the powers and duties of the secretary under this article, the secretary may adopt rules under IC 4-22-2 relating to the exercise of those powers and duties.

(b) The secretary may adopt emergency rules under IC 4-22-2-37.1(a)(37) for the following:

(1) Federal Medicaid waiver program provisions.

(2) Federal programs administered by the office of the secretary.

Sec. 10. The office of the secretary is designated as the sole state agency responsible for administering programs concerning the vocational rehabilitation of individuals with a disability under 29 U.S.C. 701 et seq.

Sec. 11. (a) If:

(1) the sums appropriated by the general assembly in the biennial budget to the family and social services administration for the Medicaid assistance, Medicaid administration, public assistance (TANF), and the IMPACT (JOBS) work program are insufficient to enable the office of the secretary to meet its obligations; and

(2) the failure to appropriate additional funds would:

(A) violate a provision of federal law; or

(B) jeopardize the state's share of federal financial participation applicable to the state appropriations contained in the biennial budget for Medicaid assistance, Medicaid administration, public assistance (TANF), or the IMPACT (JOBS) program;

then there are appropriated further sums as may be necessary to remedy a situation described in this subsection, subject to the approval of the budget director and the unanimous recommendation of the members of the budget committee. However, before approving a further appropriation under this subsection, the budget director shall explain to the budget committee the factors indicating that a condition described in subdivision (2) would be met.

(b) If:

(1) the sums appropriated by the general assembly in the biennial budget to the family and social services administration for Medicaid assistance, Medicaid administration, public assistance (TANF), and the IMPACT (JOBS) work program are insufficient to enable the family and social services administration to meet its obligations; and

(2) neither of the conditions in subsection (a)(2) would result from a failure to appropriate additional funds;

then there are appropriated further sums as may be necessary to remedy a situation described in this subsection, subject to the



1 approval of the budget director and the unanimous
 2 recommendation of the members of the budget committee.
 3 However, before approving a further appropriation under this
 4 subsection, the budget director shall explain to the budget
 5 committee the factors indicating that a condition described in
 6 subdivision (2) would be met.

7 (c) Notwithstanding IC 12-14 and IC 12-15 (except for a clinical
 8 advisory panel established under IC 12-15), and except as provided
 9 in subsection (d), the office of the secretary may by rule adjust
 10 programs, eligibility standards, and benefit levels to limit
 11 expenditures from Medicaid assistance, Medicaid administration,
 12 public assistance (TANF), and the IMPACT (JOBS) work
 13 program. The office of the secretary may adopt emergency rules
 14 under IC 4-22-2-37.1 to make an adjustment authorized by this
 15 subsection. However, adjustments under this subsection may not:

- 16 (1) violate a provision of federal law; or
- 17 (2) jeopardize the state's share of federal financial
- 18 participation applicable to the state appropriations contained
- 19 in the biennial budget for Medicaid assistance, Medicaid
- 20 administration, public assistance (TANF), and the IMPACT
- 21 (JOBS) work program.

22 (d) Subject to IC 12-15-21-3, any adjustments made under
 23 subsection (c) must:

- 24 (1) allow for a licensed provider under IC 12-15 to deliver
- 25 services within the scope of the provider's license if the benefit
- 26 is covered under IC 12-15; and
- 27 (2) provide access to services under IC 12-15 from a provider
- 28 under IC 12-15-12.

29 Sec. 12. (a) Subject to the appropriation limits established by the
 30 state's biennial budget for the office of the secretary and its
 31 divisions, and after assistance, including assistance under TANF
 32 (IC 12-14), medical assistance (IC 12-15), and food stamps (7
 33 U.S.C. 2016(i)), is distributed to persons eligible to receive
 34 assistance, the secretary may adopt rules under IC 4-22-2 to offer
 35 programs on a pilot or statewide basis to encourage recipients of
 36 assistance under IC 12-14 to become self-sufficient and discontinue
 37 dependence on public assistance programs. Programs offered
 38 under this subsection may do the following:

- 39 (1) Develop welfare-to-work programs.
- 40 (2) Develop home child care training programs that will
- 41 enable recipients to work by providing child care for other
- 42 recipients.
- 43 (3) Provide case management and supportive services.
- 44 (4) Develop a system to provide for public service
- 45 opportunities for recipients.
- 46 (5) Provide plans to implement the personal responsibility



1 agreement under IC 12-14-2-21.

2 (6) Develop programs to implement the school attendance
3 requirement under IC 12-14-2-17.

4 (7) Provide funds for county planning council activities under
5 IC 12-14-22-13 (repealed).

6 (8) Provide that a recipient may earn up to the federal income
7 poverty level (as defined in IC 12-15-2-1) before assistance
8 under this title is reduced or eliminated.

9 (9) Provide for child care assistance, with the recipient paying
10 fifty percent (50%) of the local market rate as established
11 under 45 CFR 256 for child care.

12 (10) Provide for medical care assistance under IC 12-15, if the
13 recipient's employer does not offer the recipient health care
14 coverage.

15 (b) If the secretary offers a program described in subsection (a),
16 the secretary shall annually report the results and other relevant
17 data regarding the program to the legislative council in an
18 electronic format under IC 5-14-6.

19 Sec. 13. The office of the secretary shall implement methods to
20 facilitate the payment of providers under IC 12-15.

21 Sec. 14. The office of the secretary shall improve its system
22 through the use of technology and training of staff to do the
23 following:

24 (1) Simplify, streamline, and destigmatize the eligibility and
25 enrollment processes in all health programs serving children.

26 (2) Ensure an efficient provider payment system.

27 (3) Improve service to families.

28 (4) Improve data quality for program assessment and
29 evaluation.

30 Sec. 15. (a) The office of the secretary shall:

31 (1) cooperate with; and

32 (2) assist;

33 a nonprofit organization with the purpose to implement and
34 administer a program to provide health care to uninsured Indiana
35 residents.

36 (b) The office of the secretary shall assist a nonprofit
37 organization that has the purpose described in subsection (a) with
38 the following:

39 (1) Determining eligibility of potential participants who have
40 an income of not more than one hundred percent (100%) of
41 the federal poverty level for a program described in this
42 section.

43 (2) Issuing a plan card that is valid for one (1) year to an
44 individual if:

45 (A) the office of the secretary has determined the
46 individual is eligible for the program; and



1 (B) the individual has paid the office of the secretary a
2 registration fee determined by the office.

3 (3) Operating a toll free telephone number that provides
4 provider referral services for participants in the program.

5 (4) Implementing the program described in this section to
6 combine the resources of the office of the secretary and the
7 nonprofit organization in a manner that would not result in
8 the additional expenditure of state funds.

9 SECTION 13. IC 12-8-2.5 IS ADDED TO THE INDIANA CODE
10 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
11 UPON PASSAGE]:

12 **Chapter 2.5. Family and Social Services Bodies**

13 **Sec. 0.3. (a)** Actions taken under IC 12-8-2 (expired), after
14 December 31, 2007, and before March 24, 2008, are legalized and
15 validated to the extent that those actions would have been legal and
16 valid if P.L.113-2008 had been enacted before January 1, 2008.

17 (b) Actions taken under IC 12-8-2 (expired) after June 30, 2011,
18 are legalized and validated to the extent that those actions would
19 have been legal and valid if IC 12-8-2 had not expired on June 30,
20 2011.

21 **Sec. 1.** As used in this chapter, "body" refers to an entity
22 described in section 3 of this chapter.

23 **Sec. 2.** As used in this chapter, "member" refers to a member of
24 a body.

25 **Sec. 3.** Unless otherwise provided by a statute, this chapter
26 applies to the following:

27 (1) The following advisory councils:

28 (A) The division of disability and rehabilitative services
29 advisory council.

30 (B) The division of family resources advisory council.

31 (C) The division of mental health and addiction advisory
32 council.

33 (2) A body:

34 (A) established by statute for a division; and

35 (B) whose enabling statute makes this chapter applicable
36 to the body.

37 **Sec. 3.5.** Up to five (5) individuals appointed by the secretary to
38 serve on an entity not described in section 3(1) of this chapter may
39 be appointed to serve concurrently on an advisory council
40 described in section 3(1) of this chapter. However, an individual
41 may not serve concurrently on more than one (1) advisory council
42 described in section 3(1) of this chapter.

43 **Sec. 4. (a)** This section applies only to a member who by statute
44 is appointed to a fixed term.

45 (b) The term of an individual serving as a member begins on the
46 latter of the following:



(1) The day the term of the member whom the individual is appointed to succeed expires. If the individual does not succeed a member, the member's term begins as provided in subdivision (2).

(2) The day the individual is appointed.

(c) The term of a member expires on July 1 of the second year after the expiration of the term of the member's immediate predecessor. If the member has no immediate predecessor, the term of the member expires on July 1 of the second year after the member's term began.

(d) A member may be reappointed for a new term. A reappointed member is the member's own:

(1) successor for purposes of subsection (b); and

(2) immediate predecessor for purposes of subsection (c).

Sec. 5. (a) This section applies only to an individual who serves as a member because of an office the individual holds.

(b) The individual serves as a member until the individual no longer holds the office.

Sec. 6. The appointing authority of a member shall appoint an individual to fill a vacancy in the office of the member.

Sec. 7. Except as provided in another statute, the governor shall appoint a voting member of the body to be the presiding officer of the body.

Sec. 8. Unless otherwise provided by a statute, a member is a voting member.

Sec. 9. A majority of the voting members of the body constitutes a quorum.

Sec. 10. The affirmative vote of a majority of the voting members of the body is required for the body to take any action.

Sec. 11. (a) A member who is not a state employee is entitled to both of the following:

(1) The minimum salary per diem provided by IC 4-10-11-2.1(b).

(2) Reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(b) A member who is a state employee is entitled to reimbursement for travel expenses and other expenses actually incurred in connection with the member's duties, as provided in the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency.

(c) A member who is a member of the general assembly is entitled to receive the same per diem, mileage, and travel allowances paid to members of the general assembly serving on



interim study committees established by the legislative council.

Sec. 11.5. In addition to the requirements of IC 5-14-1.5, the office of the secretary or a division will make a good faith effort to ensure that members of any body subject to this chapter receive a copy of an agenda at least forty-eight (48) hours before any meeting of the body.

SECTION 14. IC 12-8-6.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 6.5. Office of Medicaid Policy and Planning

Sec. 0.3. (a) Actions taken under IC 12-8-6 (expired), after December 31, 2007, and before March 24, 2008, are legalized and validated to the extent that those actions would have been legal and valid if P.L.113-2008 had been enacted before January 1, 2008.

(b) Actions taken under IC 12-8-6 (expired) after June 30, 2011, are legalized and validated to the extent that those actions would have been legal and valid if IC 12-8-6 had not expired on June 30, 2011.

Sec. 1. The office of Medicaid policy and planning is established.

Sec. 2. The secretary shall appoint an administrator responsible for management of the office.

Sec. 3. The office is designated as the single state agency for administration of the state Medicaid program under IC 12-15.

Sec. 4. The office shall develop and coordinate Medicaid policy for the state.

Sec. 5. The secretary may adopt rules under IC 4-22-2 to implement this chapter and the state Medicaid program.

Sec. 6. (a) For purposes of IC 4-21.5, the secretary is the ultimate authority for the state Medicaid program.

(b) The secretary shall adopt rules under IC 4-22-2 to specify any additional necessary procedures for administrative review of an agency action under IC 4-21.5 and the state Medicaid program.

Sec. 7. The office and the division of mental health and addiction shall develop a written memorandum of understanding that provides the following:

(1) Program responsibilities for the provision of care and treatment for individuals with a mental illness.

(2) Responsibilities to educate and inform vendors of the proper billing procedures.

(3) Responsibilities in administering the state plan.

(4) Responsibilities for Medicaid fiscal and quality accountability and audits for mental health services.

(5) That the division shall recommend options and services to be reimbursed under the state plan.

(6) That the office and the division agree that, within the limits of 42 U.S.C. 1396 et seq., individuals with a mental



1 illness cannot be excluded from services on the basis of
 2 diagnosis unless these services are otherwise provided and
 3 reimbursed under the state plan.

4 (7) That the office shall seek review and comment from the
 5 division before the adoption of rules or standards that may
 6 affect the service, programs, or providers of medical
 7 assistance services for individuals with a mental illness.

8 (8) That the division shall develop rate setting policies for
 9 medical assistance services for individuals with a mental
 10 illness.

11 (9) Policies to facilitate communication between the office and
 12 the division.

13 (10) Any additional provisions that enhance communication
 14 between the office and the division or facilitate more efficient
 15 or effective delivery of mental health services.

16 **Sec. 8. The office and the division of disability and rehabilitative**
 17 **services shall develop a written memorandum of understanding**
 18 **that provides the following:**

19 (1) Program responsibilities for the provision of care and
 20 treatment for individuals with a developmental disability and
 21 long term care recipients.

22 (2) Responsibilities to educate and inform vendors of the
 23 proper billing procedures.

24 (3) Responsibilities in administering the state plan.

25 (4) Responsibilities for Medicaid fiscal and quality
 26 accountability and audits for developmental disability and
 27 long term care services.

28 (5) That the division shall recommend options and services to
 29 be reimbursed under the state plan.

30 (6) That the office and the division agree that, within the
 31 limits of 42 U.S.C. 1396 et seq., individuals with a
 32 developmental disability and long term care recipients cannot
 33 be excluded from services on the basis of diagnosis unless
 34 these services are otherwise provided and reimbursed under
 35 the state plan.

36 (7) That the office shall seek review and comment from the
 37 division before the adoption of rules or standards that may
 38 affect the service, programs, or providers of medical
 39 assistance services for individuals with a developmental
 40 disability and long term care recipients.

41 (8) That the division shall develop rate setting policies for
 42 medical assistance services for individuals with a
 43 developmental disability and long term care recipients.

44 (9) That the office, with the assistance of the division, shall
 45 apply for waivers from the United States Department of
 46 Health and Human Services to fund community and home



1 based long term care services as alternatives to
2 institutionalization.

3 (10) Policies to facilitate communication between the office
4 and the division.

5 (11) Any additional provisions that enhance communication
6 between the office and the division or facilitate more efficient
7 or effective delivery of developmental disability or long term
8 care services.

9 Sec. 9. The office, the division of family resources, and the
10 department of child services shall develop a written memorandum
11 of understanding that provides the following:

12 (1) Program responsibilities for the provision of care and
13 treatment for recipients served by the division.

14 (2) Responsibilities to educate and inform vendors of the
15 proper billing procedures.

16 (3) Responsibilities in administering the state plan.

17 (4) Responsibilities for Medicaid fiscal and quality
18 accountability and audits for services administered by the
19 division.

20 (5) That the division shall recommend options and services to
21 be reimbursed under the Medicaid state plan.

22 (6) That the office and the division agree that, within the
23 limits of 42 U.S.C. 1396 et seq., recipients served by the
24 division cannot be excluded from services on the basis of
25 diagnosis unless these services are otherwise provided and
26 reimbursed under the state plan.

27 (7) That the office shall seek review and comment from the
28 division before the adoption of rules or standards that may
29 affect the service, programs, or providers of medical
30 assistance services for recipients served by the division.

31 (8) That the division shall develop rate setting policies for
32 medical assistance services administered by the division.

33 (9) Policies to facilitate communication between the office and
34 the division.

35 (10) Any additional provisions that enhance communication
36 between the office and the division or facilitate more efficient
37 or effective delivery of services.

38 Sec. 10. (a) The office shall reduce reimbursement rates for
39 over-the-counter drugs by ten percent (10%) not later than July 1,
40 2001.

41 (b) The office shall implement a Maximum Allowable Cost
42 schedule for off-patent drugs not later than November 1, 2001.

43 (c) Not later than January 1, 2002, the office shall implement an
44 information strategy directed to high volume prescribers.

45 (d) Beginning July 1, 2002, the office shall phase in case
46 management for aged, blind, and disabled Medicaid recipients.



1 **Sec. 11.** The office shall adopt emergency rules under
 2 **IC 4-22-2-37.1** to achieve the reductions needed to avoid
 3 expenditures exceeding the Medicaid appropriation made by
 4 **P.L.224-2003** in the line item appropriation to the **FAMILY AND**
 5 **SOCIAL SERVICES ADMINISTRATION, MEDICAID -**
 6 **CURRENT OBLIGATIONS.** To the extent that reductions are
 7 made to optional Medicaid services as set forth in **42 U.S.C. 1396**
 8 **et seq.,** the reductions may be accomplished on a pro rata basis
 9 with each optional service being reduced by a proportionate
 10 amount. However, the reductions may not be made in a manner
 11 that results in the elimination of any optional Medicaid service.

12 **SECTION 15.** **IC 12-8-8.5** IS ADDED TO THE INDIANA CODE
 13 AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE
 14 UPON PASSAGE]:

15 **Chapter 8.5. Divisions and Directors**

16 **Sec. 0.3.** (a) Actions taken under **IC 12-8-8** (expired), after
 17 **December 31, 2007,** and before **March 24, 2008,** are legalized and
 18 validated to the extent that those actions would have been legal and
 19 valid if **P.L.113-2008** had been enacted before **January 1, 2008.**

20 (b) Actions taken under **IC 12-8-8** (expired) after **June 30, 2011,**
 21 are legalized and validated to the extent that those actions would
 22 have been legal and valid if **IC 12-8-8** had not expired on **June 30,**
 23 **2011.**

24 **Sec. 1.** Subject to the approval of the governor, the secretary:

25 (1) shall appoint each director; and

26 (2) may terminate the employment of a director.

27 **Sec. 2.** (a) A director is the chief administrator of the director's
 28 division.

29 (b) A director is responsible to the secretary for the operation
 30 and performance of the director's division.

31 **Sec. 3.** A director is the appointing authority for the director's
 32 division.

33 **Sec. 4.** (a) A director may adopt rules under **IC 4-22-2** relating
 34 to the operation of the director's division and to implement the
 35 programs of the director's division.

36 (b) Whenever a division is required to adopt rules under
 37 **IC 4-22-2,** the director of the division is the statutory authority that
 38 adopts the rules.

39 **Sec. 5.** (a) A director is the ultimate authority under **IC 4-21.5**
 40 for purposes of the operation of the director's division and the
 41 programs of the director's division.

42 (b) The director shall consult with the secretary on issues of
 43 family, social services, or health policy arising in a proceeding
 44 under **IC 4-21.5.**

45 **Sec. 6.** A director is responsible for development and
 46 presentation of the budget of the director's division.



1 SECTION 16. IC 12-9-1-2 IS AMENDED TO READ AS
 2 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 3 **IC 12-8-8.5** applies to the division.

4 SECTION 17. IC 12-9-2-1 IS AMENDED TO READ AS
 5 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division
 6 shall be administered by a director appointed under ~~IC 12-8-8-1~~.
 7 **IC 12-8-8.5-1.**

8 SECTION 18. IC 12-9-2-2 IS AMENDED TO READ AS
 9 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~
 10 **IC 12-8-8.5** applies to the director.

11 SECTION 19. IC 12-9-4-4 IS AMENDED TO READ AS
 12 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Each member of
 13 the council appointed under section 3(2) of this chapter has a fixed
 14 term as provided in ~~IC 12-8-2-4~~. **IC 12-8-2.5-4.**

15 SECTION 20. IC 12-9-4-7 IS AMENDED TO READ AS
 16 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~IC 12-8-2~~
 17 **IC 12-8-2.5** applies to the council.

18 SECTION 21. IC 12-9.1-1-2, AS ADDED BY P.L.141-2006,
 19 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 20 UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the
 21 division.

22 SECTION 22. IC 12-9.1-2-1, AS ADDED BY P.L.141-2006,
 23 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 24 UPON PASSAGE]: Sec. 1. The division shall be administered by a
 25 director appointed under ~~IC 12-8-8-1~~. **IC 12-8-8.5-1.**

26 SECTION 23. IC 12-9.1-2-2, AS ADDED BY P.L.141-2006,
 27 SECTION 38, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 28 UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the
 29 director.

30 SECTION 24. IC 12-10-12-4 IS AMENDED TO READ AS
 31 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. As used in this
 32 chapter, "office" refers to the office of Medicaid policy and planning
 33 established by ~~IC 12-8-6-1~~. **IC 12-8-6.5-1.**

34 SECTION 25. IC 12-12-1-4.1 IS AMENDED TO READ AS
 35 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4.1. (a) The bureau
 36 may do the following:

37 (1) Establish vocational rehabilitation centers separately or in
 38 conjunction with community rehabilitation centers.

39 (2) Contract with governmental units and other public or private
 40 organizations to provide any of the vocational rehabilitation
 41 services permitted or required by this article, ~~IC 12-8-1-11~~,
 42 **IC 12-8-1.5-10**, IC 12-9-6, and IC 12-11-6.

43 (3) Provide or contract for the provision of other services that are
 44 consistent with the purposes of this article, ~~IC 12-8-1-11~~,
 45 **IC 12-8-1.5-10**, IC 12-9-6, and IC 12-11-6.

46 (b) When entering into contracts for job development, placement,



or retention services, the bureau shall contract with governmental units and other public or private organizations or individuals that are accredited by one (1) of the following organizations:

(1) The Commission on Accreditation of Rehabilitation Facilities (CARF), or its successor.

(2) The Council on Quality and Leadership in Supports for People with Disabilities, or its successor.

(3) The Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or its successor.

(4) The National Commission on Quality Assurance, or its successor.

(5) An independent national accreditation organization approved by the secretary.

(c) To the extent that the accreditation requirements of an accrediting organization listed in subsection (b) do not cover a specific requirement determined by the bureau to be necessary for a contracted service under subsection (a), the bureau shall include these specific requirements as part of the bureau's contract for job development, placement, or retention services.

SECTION 26. IC 12-12.7-2-8, AS ADDED BY P.L.93-2006, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 8. (a) The council consists of at least fifteen (15) but not more than twenty-five (25) members appointed by the governor as follows:

(1) At least twenty percent (20%) of the members must be individuals who:

(A) are parents, including minority parents, of infants or toddlers with disabilities or of children who are less than thirteen (13) years of age with disabilities; and

(B) have knowledge of or experience with programs for infants and toddlers with disabilities.

At least one (1) of the members described in this subdivision must be a parent of an infant or toddler with a disability or of a child less than seven (7) years of age with a disability.

(2) At least twenty percent (20%) of the members must be public or private providers of early intervention services.

(3) At least one (1) member must be a member of the general assembly.

(4) Each of the state agencies involved in the provision of or payment for early intervention services to infants and toddlers with disabilities and their families must be represented by at least one (1) member. The members described in this subdivision must have sufficient authority to engage in policy planning and implementation on behalf of the state agency the member represents.

(5) At least one (1) member must be involved in personnel



preparation.

(6) At least one (1) member must:

(A) represent a state educational agency responsible for preschool services to children with disabilities; and

(B) have sufficient authority to engage in policy planning and implementation on behalf of the agency.

(7) At least one (1) member must represent the department of insurance created by IC 27-1-1-1.

(8) At least one (1) member must represent an agency or program that is:

(A) located in Indiana; and

(B) authorized to participate in the Head Start program under 42 U.S.C. 9831 et seq.

(9) At least one (1) member must represent a state agency responsible for child care.

(10) At least one (1) member must represent the office of Medicaid policy and planing established by ~~IC 12-8-6-1~~.

IC 12-8-6.5-1.

(11) At least one (1) member must be a representative designated by the office of coordinator for education of homeless children and youths.

(12) At least one (1) member must be a state foster care representative from the department of child services established by IC 31-33-1.5-2.

(13) At least one (1) member must represent the division of mental health and addiction established by IC 12-21-1-1.

(b) To the extent possible, the governor shall ensure that the membership of the council reasonably represents the population of Indiana.

SECTION 27. IC 12-13-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the division.

SECTION 28. IC 12-13-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division shall be administered by a director appointed under ~~IC 12-8-8-2~~. **IC 12-8-8.5-2.**

SECTION 29. IC 12-13-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Each member of the council appointed under section 3(2) of this chapter has a fixed term as provided in ~~IC 12-8-2-4~~. **IC 12-8-2.5-4.**

SECTION 30. IC 12-13-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~IC 12-8-2~~ **IC 12-8-2.5** applies to the council.

SECTION 31. IC 12-13-15.2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. The division shall collaborate with the office of Medicaid policy and planning



1 established by ~~IC 12-8-6-1~~ **IC 12-8-6.5-1** and the state department of
 2 health established by IC 16-19-1-1 to establish programs that facilitate
 3 children's access to oral health services.

4 SECTION 32. IC 12-14-2-21, AS AMENDED BY P.L.161-2007,
 5 SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 6 UPON PASSAGE]: Sec. 21. (a) A TANF recipient or the parent or
 7 essential person of a TANF recipient, if the TANF recipient is less than
 8 eighteen (18) years of age, must sign a personal responsibility
 9 agreement to do the following:

10 (1) Develop an individual self-sufficiency plan with other family
 11 members and a caseworker.

12 (2) Accept any reasonable employment as soon as it becomes
 13 available.

14 (3) Agree to a loss of assistance, including TANF assistance
 15 under this article, if convicted of a felony under IC 35-43-5-7 or
 16 IC 35-43-5-7.1 for ten (10) years after the conviction.

17 (4) Subject to section 5.3 of this chapter, understand that
 18 additional TANF assistance under this article will not be available
 19 for a child born more than ten (10) months after the person
 20 qualifies for assistance.

21 (5) Accept responsibility for ensuring that each child of the
 22 person receives all appropriate vaccinations against disease at an
 23 appropriate age.

24 (6) If the person is less than eighteen (18) years of age and is a
 25 parent, live with the person's parents, legal guardian, or an adult
 26 relative other than a parent or legal guardian in order to receive
 27 public assistance.

28 (7) Subject to ~~IC 12-8-1-12~~ **IC 12-8-1.5-11** and section 5.1 of this
 29 chapter, agree to accept assistance for not more than twenty-four
 30 (24) months under the TANF program (IC 12-14).

31 (8) Be available for and actively seek and maintain employment.

32 (9) Participate in any training program required by the division.

33 (10) Accept responsibility for ensuring that the person and each
 34 child of the person attend school until the person and each child
 35 of the person graduate from high school or attain a high school
 36 equivalency certificate (as defined in IC 12-14-5-2).

37 (11) Raise the person's children in a safe, secure home.

38 (12) Agree not to abuse illegal drugs or other substances that
 39 would interfere with the person's ability to attain self-sufficiency.

40 (b) Except as provided in subsection (c), assistance under the TANF
 41 program shall be withheld or denied to a person who does not fulfill the
 42 requirements of the personal responsibility agreement under subsection
 43 (a).

44 (c) A person who is granted an exemption under section 23 of this
 45 chapter may be excused from specific provisions of the personal
 46 responsibility agreement as determined by the director.



SECTION 33. IC 12-15-2-0.5, AS AMENDED BY P.L.1-2010, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) This section applies to a person who qualifies for assistance:

- (1) under sections 13 through 16 of this chapter;
- (2) under section 6 of this chapter when the person becomes ineligible for medical assistance under IC 12-14-2-5.1 or IC 12-14-2-5.3; or
- (3) as an individual with a disability if the person is less than eighteen (18) years of age and otherwise qualifies for assistance.

(b) Notwithstanding any other law, the following may not be construed to limit health care assistance to a person described in subsection (a):

- (1) ~~IC 12-8-1-13~~; **IC 12-8-1.5-12**.
- (2) IC 12-14-1-1.
- (3) IC 12-14-1-1.5.
- (4) IC 12-14-2-5.1.
- (5) IC 12-14-2-5.2.
- (6) IC 12-14-2-5.3.
- (7) IC 12-14-2-17.
- (8) IC 12-14-2-18.
- (9) IC 12-14-2-20.
- (10) IC 12-14-2-21.
- (11) IC 12-14-2-24.
- (12) IC 12-14-2-25.
- (13) IC 12-14-2-26.
- (14) IC 12-14-2.5.
- (15) IC 12-14-5.5.
- (16) Section 21 of this chapter.

SECTION 34. IC 12-21-1-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the division.

SECTION 35. IC 12-21-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. The division shall be administered by a director appointed under ~~IC 12-8-8-1~~. **IC 12-8-8.5-1**.

SECTION 36. IC 12-21-2-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 2. ~~IC 12-8-8~~ **IC 12-8-8.5** applies to the director.

SECTION 37. IC 12-21-2-3, AS AMENDED BY P.L.143-2011, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. In addition to the general authority granted to the director under ~~IC 12-8-8~~, **IC 12-8-8.5**, the director shall do the following:

- (1) Organize the division, create the appropriate personnel positions, and employ personnel necessary to discharge the



1 statutory duties and powers of the division or a bureau of the
2 division.

3 (2) Subject to the approval of the state personnel department,
4 establish personnel qualifications for all deputy directors,
5 assistant directors, bureau heads, and superintendents.

6 (3) Subject to the approval of the budget director and the
7 governor, establish the compensation of all deputy directors,
8 assistant directors, bureau heads, and superintendents.

9 (4) Study the entire problem of mental health, mental illness, and
10 addictions existing in Indiana.

11 (5) Adopt rules under IC 4-22-2 for the following:

12 (A) Standards for the operation of private institutions that are
13 licensed under IC 12-25 for the diagnosis, treatment, and care
14 of individuals with psychiatric disorders, addictions, or other
15 abnormal mental conditions.

16 (B) Licensing or certifying community residential programs
17 described in IC 12-22-2-3.5 for individuals with serious
18 mental illness (SMI), serious emotional disturbance (SED), or
19 chronic addiction (CA) with the exception of psychiatric
20 residential treatment facilities.

21 (C) Certifying community mental health centers to operate in
22 Indiana.

23 (D) Establish exclusive geographic primary service areas for
24 community mental health centers. The rules must include the
25 following:

26 (i) Criteria and procedures to justify the change to the
27 boundaries of a community mental health center's primary
28 service area.

29 (ii) Criteria and procedures to justify the change of an
30 assignment of a community mental health center to a
31 primary service area.

32 (iii) A provision specifying that the criteria and procedures
33 determined in items (i) and (ii) must include an option for
34 the county and the community mental health center to
35 initiate a request for a change in primary service area or
36 provider assignment.

37 (iv) A provision specifying the criteria and procedures
38 determined in items (i) and (ii) may not limit an eligible
39 consumer's right to choose or access the services of any
40 provider who is certified by the division of mental health
41 and addiction to provide public supported mental health
42 services.

43 (6) Institute programs, in conjunction with an accredited college
44 or university and with the approval, if required by law, of the
45 commission for higher education, for the instruction of students
46 of mental health and other related occupations. The programs may



be designed to meet requirements for undergraduate and postgraduate degrees and to provide continuing education and research.

(7) Develop programs to educate the public in regard to the prevention, diagnosis, treatment, and care of all abnormal mental conditions.

(8) Make the facilities of the Larue D. Carter Memorial Hospital available for the instruction of medical students, student nurses, interns, and resident physicians under the supervision of the faculty of the Indiana University School of Medicine for use by the school in connection with research and instruction in psychiatric disorders.

(9) Institute a stipend program designed to improve the quality and quantity of staff that state institutions employ.

(10) Establish, supervise, and conduct community programs, either directly or by contract, for the diagnosis, treatment, and prevention of psychiatric disorders.

(11) Adopt rules under IC 4-22-2 concerning the records and data to be kept concerning individuals admitted to state institutions, community mental health centers, or other providers.

(12) Compile information and statistics concerning the ethnicity and gender of a program or service recipient.

(13) Establish standards for services described in IC 12-7-2-40.6 for community mental health centers and other providers.

SECTION 38. IC 12-21-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. Each member of the council appointed under section 3(2) of this chapter has a fixed term as provided in ~~IC 12-8-2-4~~. **IC 12-8-2.5-4.**

SECTION 39. IC 12-21-4-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 7. ~~IC 12-8-2~~ **IC 12-8-2.5** applies to the council.

SECTION 40. IC 16-28-15-5, AS ADDED BY P.L.229-2011, SECTION 162, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. As used in this chapter, "office" refers to the office of Medicaid policy and planning established by ~~IC 12-8-6-1~~. **IC 12-8-6.5-1.**

SECTION 41. IC 22-4.1-17-6, AS ADDED BY P.L.110-2010, SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. As used in this chapter, "secretary" refers to the secretary of family and social services appointed under ~~IC 12-8-1-2~~. **IC 12-8-1.5-2.**

SECTION 42. **An emergency is declared for this act.**

